Effective implementation of Section 194-I covering rentals and the provisions of Sections 44AD & 44AE providing for quick estimate of income of truck operators and small contractors, Presumptive Tax Scheme etc. will go a long way in achieving the objective of increase in tax collection.

(c) It is expected that the Budget target during the current financial year would be achieved.

(d) to (f) Strict enforcement of accountability in the Department would go a long way in minimising any harassment and in convenience to both tax payers and non-tax payers. If instances of any misuse of powers by anyone in the Department are found, suitable action under rules and regulations would be taken against him.

Lending Rates for Urban Co-operative Banks

1995. SHRI SUNDER SINGH BHANDARI : Will the Minister of FINANCE be pleased to state :

(a) whether new lending rates for Urban Co-operative Banks have been announced;

(b) whether deposit rates for these Banks are also being revised; and

(c) whether per party exposure limits are also being revised ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) and (b) The structure of lending rates of primary (Urban) Co-operative Banks effective October 18, 1994 and immediately prior to that date is set out below :—

(Per cent per annum)

Size of the Credit limit	Rates prior to October 18, 1994		Rates effective October 18, 1994
	Term Loans	All other Advances	All Advances (including term loans)
1. Up to and inclusive of Rs. 25,000/-	14.0	14.0	13.0
2. Over Rs. 25,000/- and upto Rs. 2 lakh	14.0	15.0	13.5
3. Over Rs. 2 lakh	14.0 (minimum)	15.0 (minimum)	Free

The old and the revised structure of deposit rates of Primary (Urban) Cooperative Banks is given below :—

(Per cent per annum)

Category of Account	Old Rates	New Rates (effective November 1, 1994)
Current	Not exceeding 0.5	Not exceeding 0.5
Savings	5.0	4.5
Term Deposits		
46 days to 3 years and above	Not exceeding 10.0	Not exceeding 10.0

Primary (Urban Co-operative Banks may, at their discretion, continue to allow additional interest at a rate not exceeding 1.0% per annum on all saving deposits and at a rate not exceeding 0.5% per annum on all term deposits of not less than 46 days.

(c) The information is not readily available and the same is being collected and will be laid on the Table of the House.

Fake Share Scandal Rocks Amritsar

1996. SHRI V. GOPALSAMY : Will the Minister of FINANCE be pleased to state :

(a) whether Governments' attention has been drawn to the news-item published in the 'Hindustan Times' dated the 16th November, 1994 under the caption "Fake Share Scandal Rocks Amritsar";

(b) if so, whether CBI enquiry has been ordered or not;

(c) whether any culprits have been arrested or not;

(d) if so, the details thereof;

(e) what are the details of share certificates of various companies/mutual funds found to be fake; and

(f) what steps are being taken to contain this fake share maniac in the near future by Government, RBI and SEBI ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Yes, Sir.

(b) No, Sir.

(c) to (e) The information is being collected from the State Government of Punjab and will be laid on the Table of the House.

(f) Continual vigilance is being taken by the law enforcing agencies and Stock Exchanges to contain this menace.

World Bank Loan to each State

1997. SHRI SUNDER SINGH BHANDARI :
DR. BAPU KALDATE :
SHRIMATI KAMLA SINHA :

Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has offered loans up to 500 million dollars to each of the States in the country;

(b) if so, what are the World Bank conditionalities attached to the grant of loan to the State Government; and

(c) what is the response of the State Governments in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) to (c) There have been some preliminary discussions with the Bank regarding possible structural adjustment loans to State Governments. These loans are intended to be non-project tied and to provide quick disbursing resources to State Governments in support of state level reforms.

Proposal by Central Bank of India to Close down Branches

1998. SHRIMATI KAMLA SINHA :
DR. BAPU KALDATE :
SHRI RAJNI RANJAN SAHU :

Will the Minister of FINANCE be pleased to state :

(a) whether the Central Bank of India proposes to close down nearly 300 branches of the Bank;

(b) if so, what are the reasons therefor;

(c) what is the estimated number of employees likely to be affected as a result thereof; and

(d) the manner in which Government propose to deal with the unemployment problem of the affected employees ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) to (d) Reserve Bank of India (RBI) has intimated that while allocating the recapitalisation funds for 1993-94, it was agreed to by Central Bank of India that it would close down 10 unviable/loss making branches in urban/metropolitan areas and convert into satellite office 50 rural/semi-rural/semi-urban branches. However, the Bank had not closed any loss making branch during the year 1993-994. The Bank has only converted three loss making rural branches into satellite offices.

Revamping present Institutional Credit System

1999. DR. B. B. DUTTA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the present system of agricultural credit suffers from poor recovery of loans;

(b) if so, the reasons therefor;

(c) the steps taken to improve the situation; and

(d) how Government propose to revamp present institutional credit system ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) and (b) The growth in agricultural credit has been adversely affected on account of poor recovery. The percentage of recovery to demand of all scheduled commercial banks in respect of their agricultural advances which was 58% in June 1991 has declined to 54.15% in the year ended June 1992 but marginally improved to 55.9% for the year ended June 1993. The reasons for such poor recovery can be attributed to defective planning while sanctioning loan proposals, misutilisation and diversion of income generated out of investments, unsatisfactory marketing arrangements, wilful defaults by borrowers, natural calamities, etc.

(c) A number of steps have been taken to improve the recovery performance of commercial banks in respect of their agricultural advances. Reserve Bank of India (RBI) has issued guidelines to banks to take effective measures like strengthening and gearing up of organisational structure both at controlling offices and field level, adoption of schematic approach